

Early Childhood Education and Care Department

Cabinet Secretary Elizabeth Groginsky

Procuring Goods and Services in the SFSP



NEW MEXICO

Early Childhood

Education & Care Department

Early Care, Education, and Nutrition Division

Procuring Goods and Services in the SFSP



State Procurement Procedures

- Why?
 - To achieve fair and open competition for Federal dollars
 - To obtain products efficiently and economically
 - To prevent fraud, waste and abuse
 - To comply with Federal, State and local requirements
- State
 - Requirements for various purchase thresholds in New Mexico Administrative Code (NMAC) are stricter than those of the Federal government
- Federal
 - 2CFR, Part 200.318(a) – The non-federal entity must use its own procurement procedures which reflect applicable State, local and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified

First Tier Small Purchases Up to \$20K

Single purchases up to \$20,000.00 for:

- General services – (not professional)
- Construction – most types not allowable in SFSP
- Tangible property
 - food service equipment, food, non-food, supplies, computer, furniture

Must award based on “Best obtainable price” (1.4.1.50 NMAC)

- 2 quotes is good.
- 3 quotes is better!

Quotes must be documented

- Written – Company letterhead
- Verbal – Develop written record to vendor acknowledging his/her quote
- Internet – Print web page

Second Tier Small Purchases

20K and up to \$250K

Single purchases from \$20,000.01 - \$250,000.00

- General services – (not professional)
- Construction – most types not allowable in SFSP
- Tangible property

Must award to lowest, acceptable quotation – (1.4.1.51, C)

- Quotes solicited from no fewer than 3 businesses – (1.4.1.51, A)
- Develop written request for solicitation of quotes. Include product/service specifications - (1.4.1.51, A)
- Quotes must be documented and recorded - (1.4.1.51, D)
- Must also comply with 1.4.1.51, B of the New Mexico Administrative Code (NMAC) – Disclosure restrictions

Cannot break up single purchase into smaller purchases to avoid obtaining 3 quotes

Competitive Sealed Bid Procurement

Purchases that are over \$250,000

- Formal procurement process (competitive sealed bid) – 1.4.1.15 NMAC

Must follow requirements set forth at 1.4.1.14 – 1.4.1.28 NMAC for competitive sealed bids

For contracts more than \$250,000. bid and performance bonds needed.

- Bids submitted – Obtain bid bond between 5% and 10% of value of contract
- Contracts entered into – Obtain performance bond between 10% and 25% of the value of contract – 7CFR, Part 225.15(m)(6)

Cannot artificially break up single purchases over \$250K to avoid competitive sealed bid procedures

Procurement Reminder

- 7CFR, Part 225.17(e)
- Geographic Preference Option when procuring locally raised or grown, unprocessed foods



Definition of Unprocessed

- Unprocessed agricultural products retain their inherent character
- The term “unprocessed” precludes the use of Geographic preference in procuring agricultural products that have significant value added components
- Accepted “unprocessed” agricultural products may have been minimally handled or prepared such as may be necessary to use in the CN programs such as:
 - Cooling, refrigerating, and freezing
 - Peeling, slicing, dicing, cutting, chopping, shucking, and grinding
 - Forming ground products into patties
 - Washing, packaging, vacuum packing, and bagging
 - Adding preservatives to prevent oxidation
 - Butchering livestock or poultry
 - Pasteurizing milk
 - Placing eggs in a carton

Dried Beans ✓





Canned Beans



THE
FARM to SCHOOL
PROGRAM

Geographic Preference Definition

Final Rule - Federal Register, Vol. 76, No. 78, 4/22/2011

- “...Geographic preference is a tool that gives bidders in a specified geographic area a specific, defined advantage in the procurement process.”
 - “...Procurements may be accomplished through informal or formal procurement procedures, as required by respective Child Nutrition Program regulations.”.
- 

Stipulations

Final Rule - Federal Register, Vol. 76, No. 78, 4/22/2011

- “...geographic preference is not a procurement set-aside for bidders located in the specified geographic area, guaranteeing them a certain level or percentage of business.”
 - “...Does not preclude bidder from outside GP area from submitting a competing bid, or possibly being awarded the contract...”
- 

Applying Geographic Preference

- “...the Sponsor making the purchase has the discretion to determine the local area to which the geographic preference option will be applied.”
 - 7CFR, Part 225.17(e)(1)
- The purchasing institution must not define local in a manner that unnecessarily restricts free and open competition
 - SP Memo 18-2011

<https://summerfoodnm.org/sponsors/program-resources>



United States Department of Agriculture

GEOGRAPHIC PREFERENCE What It Is and How to Use It



THE 2008 FARM BILL directed the Secretary of Agriculture to encourage schools to purchase locally grown and locally raised products “to the maximum extent practicable and appropriate.” The Secretary was also instructed to allow child nutrition program operators to use a “geographic preference” when procuring locally grown and locally raised unprocessed agricultural products.

There are many ways for schools to buy local products for use in federal child nutrition programs (see **USDA’s 10 Facts About Local Food in School Cafeterias**). While using geographic preference is not the only option for buying local foods, it is a powerful tool and particularly useful in formal solicitations where respondents are ranked and scored.

Types of Products

The ability to apply a preference for local products applies only to unprocessed or minimally processed items. The geographic preference rule does not apply to any products that have been cooked, heated, canned or that have any additives or fillers. It can be applied to a wide array of products that meet the definition of unprocessed or minimally processed such as various forms of fruits, vegetables, meats, fish, poultry, dairy, eggs, and grains.

Defining Local

Definitions for local vary widely depending on the unique geography and climate where a school is located and on the abundance of local food producers and manufacturers. Many schools define local as within a certain number of miles from the school, within the county, or within the state. Alternatively, definitions might include more than one state (i.e., Georgia, Alabama, and Florida) or discrete parts of several states (i.e., specific counties in southwest Washington, northeast Oregon, and Idaho). In addition, many programs use different definitions of local depending on the product or season. Also, please note that when applying geographic preference, origin is tied to the agricultural product, not the location of the respondent.

Who Defines Local?

Schools define what they mean by local. While many state and/or local governments have adopted definitions of local such as “within the state” or “within the county,” schools using a geographic preference when sourcing food for the federal child nutrition programs are under no obligation to adopt any definition for local that might be in existence in local areas.

OFFICE of
COMMUNITY
FOOD SYSTEMS

Government-wide Debarment and Suspension *(Non-procurement)*

- Debarment – To bar from having or doing something
- Synonymous with – “Preclude”
 - To exclude
 - To bar
 - To prevent
 - To make impossible
- **In other words – Can’t do it!**

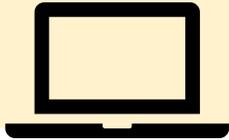
Non-procurement

Prior to contracting, Sponsor must ensure contracting entity or person is not *debarred or suspended* from Federal assistance programs or activities

- ◆ Food Service Management Company
 - Unitized SFSP meals
- ◆ Meal delivery service
- ◆ Individual providing service on contract
 - Consultants
- ◆ Temporary employment service
 - Site Supervisors

Determine non-procurement status for contractors

Sponsor responsibility to search the **System for Award Management (SAM)** website.



<https://sam.gov/content/home>



Entity Registration Doing Business As field showing 'Null' Show Details
Feb 18, 2022



See All Alerts

Update: Planned Maintenance Schedule Show Details
Jul 29, 2021



Sig



Official U.S. Government Website
100% Free

The Official U.S. Government System for:

Contract Opportunities
(was fbo.gov)

Contract Data
(Reports ONLY from fpds.gov)

Wage Determinations
(was wdol.gov)

Federal Hierarchy
Departments and Subtiers

Assistance Listings
(was cfda.gov)

Entity Information
Entities, Disaster Response Registry, and Exclusions

Entity Reporting
SCR and Bio-Preferred Reporting

NEW [Learn More](#)

Register Your Entity or Get a Unique Entity ID

Register your entity or get a Unique Entity ID to get started doing business with the federal government.

Get Started

Renew Entity



Check Registration Status

Already know what you want to find?

Update: Planned Maintenance Schedule [Show Details](#)

Jul 29, 2021



DATA SERVICES

File Extracts

Name

Details

 Assistance Listings



 Contract Opportunities



 Data Dictionary



 Documentation



 Entity Registration



 Exclusions



Feedback



DATA SERVICES

File Extracts

[Data Services](#) > Exclusions

Name	Details
 Public V2	 
 Public	 



DATA SERVICES

File Extracts

Data Services > Exclusions > Public V2

Name	Details
 SAM_Exclusions_Public_Extract_V2_22053.ZIP	 
 SAM_Exclusions_Public_Extract_V2_22052.ZIP	 
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 SAM_Exclusions_Public_Extract_V2_22047.ZIP	 
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 SAM_Exclusions_Public_Extract_V2_22045.ZIP	 
 SAM_Exclusions_Public_Extract_V2_22044.ZIP	 
 SAM_Exclusions_Public_Extract_V2_22043.ZIP	 

Procurement Reminder



7CFR, Part 225.17(c)

- Small and minority business
- Women's business enterprises and
- Labor surplus area firms

Contracting with small & minority business, women's business enterprises, and labor surplus area firms

The sponsor must be aware of the following practices:

1. Placing qualified small and minority business and women's business enterprises on solicitation lists;
2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;

Contracting with small & minority business, women's business enterprises, and labor surplus area firms *(cont.)*

4. Establishing delivery schedules, where the requirement permits, which encourage participant by small and minority business and women's business enterprises;
5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and
6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section